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Financial situation of the International Research and Training Institute for the Advancement of Women

Report of the Secretary-General*

Summary

The General Assembly, in its decision 61/555, decided on an exceptional basis to authorize the Secretary-General to enter into commitments in an amount of up to $190,000, under section 9, Economic and social affairs, of the programme budget for the biennium 2006-2007, subject to full reimbursement pending receipt of voluntary contributions for the financing of the International Research and Training Institute for the Advancement of Women (INSTRAW). The present report is in response to the request of the General Assembly that the Secretary-General report on the financial situation of the Institute for 2007 at the second part of its resumed sixty-first session, in May 2007.

A recent review of the status of the INSTRAW Trust Fund has revealed that the $385,000 in voluntary contributions received during the biennium 2006-2007 up to 30 April 2007 is insufficient to provide for the functioning of the Institute to the end of 2007. If the $190,000 commitment authority is applied, then the shortfall in resources required for 2007 will amount to $647,900.

Pending the decision of the General Assembly on the recommendations of the INSTRAW Executive Board at its fourth session and on the various options placed before it for the future of the Institute and its financing for the remainder of 2007 and beyond, the General Assembly may wish to consider authorizing an additional commitment of up to $647,900, on an exceptional basis, subject to full reimbursement pending receipt of voluntary contributions, for the financing of INSTRAW for the remainder of 2007.

* The submission of the present report has been timed to reflect the latest available information for assessing the financial situation of the International Research and Training Institute for the Advancement of Women.

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I. Introduction

1. The General Assembly, in its decision 61/555, decided on an exceptional basis to authorize the Secretary-General to enter into commitments in an amount of up to $190,000, under section 9, Economic and social affairs, of the programme budget for the biennium 2006-2007, subject to full reimbursement pending receipt of voluntary contributions for the financing of the International Research and Training Institute for the Advancement of Women (INSTRAW). The Assembly also decided to request the Secretary-General to report to it on the financial situation of the Institute for 2007 at the second part of its resumed sixty-first session, in May 2007. The present report is in response to that request.

2. In paragraph 10 of its resolution 60/229, on the future operation of INSTRAW, the General Assembly decided to provide its full support to the current efforts to revitalize the Institute and, in this regard, to provide it with the requisite funds to enable it to carry out its core functions for the biennium 2006-2007. It is recalled that the Fifth Committee, in its decision on the statement submitted by the Secretary-General on programme budget implications (A/C.5/60/16), took note of the indication in paragraph 18 of the Secretary-General's statement that "the provision of additional funds to finance operations of the Institute in 2007 would imply an annual subvention to the Institute, which is subject to the express decision of the General Assembly in this regard and to the amendment of article VIII of the statute of the Institute". By its resolution 60/247, the Assembly appropriated an amount of $1,042,200 for the biennium 2006-2007, to be used for INSTRAW should there be a shortage of voluntary contributions for its functioning in 2006. In 2006 the appropriation of $1,042,200 was transferred to the Trust Fund for INSTRAW in order to provide the Institute with sufficient resources.

3. Table 1 shows that at least some of the core activities of the Institute have been funded through subventions from the regular budget.

Table 1
Ratio of subventions to annual total expenditure

Year	*Approval*	*Total expenditure*	*Subvention from the regular budget*	*Ratio of subvention to total expenditure*
		(United States dollars)		*(percentage)*
2000		1 091 377	—	—
2001		893 878	—	—
2002	Decision 55/457	499 057	650 000	130
2003	Decision 57/580, resolution 57/311	479 776	500 000	104
2004	Resolution 58/244 (see also A/58/649)	876 205	—	—
2005	Resolution 59/260 (see also A/59/641)	1 284 342	546 200	46

Year	Approval	Total expenditure	Subvention from the regular budget	Ratio of subvention to total expenditure
		(United States dollars)		(percentage)
2006	Resolution 60/247 A	1 204 900	1 042 200	90
Total		**5 025 779**	**1 696 200**	**34**

II. Financial situation of the Institute

4. As at 30 April 2007, the Institute's Trust Fund reserve and fund balance for core activities was estimated at $218,100. The flow of voluntary contributions to the Trust Fund during the biennium 2006-2007 up to 30 April 2007 amounts to $385,000. The Trust Fund reserve and fund balance for technical cooperation projects stood at $1,039,000 as at 30 April 2007. As shown in table 2, for the period from 1988 to 1996, with the exception of 1990, the flow of voluntary contributions for funding core activities amounted to more than $1 million annually. However, since 1997, the Institute has experienced a gradual decrease in its voluntary contributions, which, with the exception of the upturn in 2005, continued into the biennium 2006-2007. The contributions to the Institute for its special projects, however, have increased sharply since 2004. Currently, voluntary contributions for INSTRAW special projects are more forthcoming than for its core activities.

Table 2

Flow of voluntary contributions to the International Research and Training Institute for the Advancement of Women Trust Fund for core and special project activities

(United States dollars)

Year	Core activities	Projects (earmarked)
1987	697 685	509 774
1988	1 592 040	91 500
1989	1 105 151	330 800
1990	48 492	941 773
1991	1 845 489	265 073
1992	1 920 185	—
1993	1 570 201	—
1994	1 501 886	226 839
1995	1 323 093	—
1996	1 118 265	—
1997	718 009	—
1998	804 143	—
1999	540 188	15 000
2000	523 980	—
2001	347 396	50 000

Year	*Core activities*	*Projects (earmarked)*
2002	107 689	—
2003	377 657	6 154
2004	87 638	44 472
2005	929 361	648 818
2006	378 836[a]	961 912
2007	6 160[a]	1 077 260[b]

[a] The contributions for 2006-2007 for core activities reflect the contributions received and recorded up to 30 April 2007. Contributions pledged but not paid at that date to the Trust Fund amount to $322,100 (rounded).

[b] Includes voluntary contributions committed by donors but yet to be recorded in the Trust Fund account.

5. During the period from 1 January to 31 December 2006, the Institute incurred expenditures of $1,204,900 (rounded) under its core activities, including the costs for the current nine staff of the Institute (1 D-2, 1 P-3, 2 P-2/1 and 5 General Service). For 2007, the estimated requirements for the Institute's core activities, including the costs for the nine staff, are projected at $1,498,500, as reflected in table 3. The projected expenditure for 2007 is based on the revised estimated requirements of the Institute for 2007, to be reported to its Executive Board at its fourth session, on 2 May 2007.

Table 3

Current and projected expenditures of the International Research and Training Institute for the Advancement of Women for core activities for 2006-2007

(United States dollars)

	1 January-31 December 2006 expenditures (a)	*1 January-31 December 2007 estimates approved by INSTRAW Board (b)*	*1 January-31 December 2007 projected expenditures (c)*	*Total 2006-2007 (a)+(c)*
Staff and other personnel costs	643 900	910 720	853 000	1 496 900
Consultants and experts	213 200	225 000	228 000	441 200
Travel	100 100	112 500	105 900	206 000
Contractual services	103 300	135 000	120 100	223 400
Operating expenses	54 300	102 000	81 800	136 100
Acquisitions	43 700	40 000	42 400	86 100
Fellowships, grants, other	—	—	7 500	7 500
Subtotal	**1 158 500**	**1 525 220**	**1 438 700**	**2 597 200**
Programme support costs payable to United Nations Headquarters	46 400	61 129	59 800	106 200
Total	**1 204 900**	**1 589 349**	**1 498 500**	**2 703 400**

6. The projected financial situation of INSTRAW in 2007 is outlined in table 4. The INSTRAW Trust Fund balance for core activities as at 30 April 2007 is estimated at $218,100 (rounded) after adjustment of the emergency reserve of $200,000 to meet eventual final INSTRAW expenditures. For the period from January through April 2007 expenditure is estimated at $442,500, and, with the anticipated expenditure of $1,056,000 for the period May through December 2007, the total estimated expenditure for 2007 would amount to $1,498,500. This would mean that the projected expenditure for 2007 was $90,800 less than the 2007 estimates approved by the Executive Board. As reflected in table 3, the estimates include staff salaries, calculated on the basis of full incumbency of the existing nine posts and the related operating expenses for the period 1 January to 31 December 2007.

7. The INSTRAW Trust Fund balance for special projects as at 30 April 2007 is estimated at $1,039,000, as reflected in table 4. If the approved and committed funding for 2007 not yet recorded in the Trust Fund for special projects due to the need for proper processing and bank clearances were included (see table 2), the available balance in the fund would be about $2,116,260.

Table 4
Estimated financial situation of the Institute in 2007 (as at 30 April 2007)
(United States dollars)

	Core activities	*Special projects*
Opening balance	564 200	679 900
Income received (as at 26 April 2007)		
Government contributions[a]	385 000	752 100
Miscellaneous and other income[b]	1 116 300	245 200
Subtotal	**1 501 300**	**997 300**
Total income	**2 065 500**	**1 677 200**
Less: expenditures (1 January-31 December 2006)	(1 158 500)	(323 100)
Less: programme support costs payable to United Nations Headquarters	(46 400)	(42 600)
Fund balance as at 1 January 2007	**860 800**	**1 311 500**
Less: reserve to cover eventual final INSTRAW expenditures	(200,000)	—
Estimated balance available for 2007 expenditures	**660 800**	**1 311 500**
Less: expenditures (1 January-30 April 2007)	(423 300)	(251 300)
Less: programme support costs payable to United Nations Headquarters	(19 200)	(21 200)
Estimated Fund balance as at 30 April 2007	**218 100**	**1 039 000**
Less: projected cost of operations (1 May-31 December 2007)	(1 015 400)	—
Less: estimated programme support costs payable to United Nations Headquarters	(40 600)	—

	Core activities	*Special projects*
Projected balance (deficit) as at 31 December 2007[c]	**(837 900)**	**1 039 000**
Less: commitment authority (General Assembly decision 61/555)	190 000	—
Projected closing balance[c]	**(647 900)**	**1 039 000**

[a] Excludes voluntary contributions of $322,115 not yet received.
[b] Includes $1,042,200, representing the total 2006 subvention.
[c] Rounded.

8. The projected expenditures for 2007 core activities represent an increase of $293,600 over 2006 expenditures, owing largely to anticipated increases in staff costs and capacity-building activities to be undertaken in follow-up to the research activities conducted by INSTRAW in 2006, as well as efforts to increase the visibility of INSTRAW work at relevant meetings. Although INSTRAW has established a resource mobilization strategy, unfortunately, given the current financial situation, voluntary contributions for its core activities have not been as forthcoming as anticipated. Consequently, the Executive Board could consider scaling back the activities initially approved for 2007 that have yet to be implemented. It is estimated that the Institute will require additional resources of $647,900 to function to the end of 2007, after applying the $190,000 commitment authority given to the Secretary-General for financing INSTRAW activities by the General Assembly in its decision 61/555. The Secretary-General is fully cognizant that the commitment authority of $190,000 is subject to full reimbursement pending the receipt of voluntary contributions; however, in the current financial situation, with pledged voluntary contributions not as forthcoming as anticipated, the Institute may not be in a position to refund any monies and the Assembly may need to consider the future financial viability of the Institute.

III. Various prospects for securing sustained resources for the International Research and Training Institute for the Advancement of Women

9. Given the need for urgent action to ensure the continuation of INSTRAW activities through 2007 and beyond, the Institute, in its report to the fourth session of its Executive Board (INSTRAW/EB/2007/R.5), has proposed several options for the Board's consideration so that recommendations can be made to the Economic and Social Council and the General Assembly on the financing of the Institute for the rest of 2007 and beyond.

10. The various options brought to the attention of the Executive Board by the Institute include the following:

(a) That the General Assembly should be requested to authorize additional resources to be made available to the Institute to ensure its operations throughout 2007, pursuant to its resolution 60/229;

(b) That the interim support for the core budget of the Institute from the United Nations should be provided until the Institute's gender architecture has been determined.

11. The secretariat will report to the General Assembly at its sixty-second session on the implications of whichever option the INSTRAW Board may recommend for the financing of the Institute for the remainder of 2007 and beyond.

IV. Conclusion

12. The General Assembly may wish to take note of the financial situation of INSTRAW outlined above and recall that in its resolution 60/229 it decided to provide its full support for the current efforts to revitalize the Institute and in this regard provide it with the requisite funds to enable it to carry out its core functions for 2007. Given the uncertainty in the volume of voluntary contributions that the Institute may receive to finance its requirements, it is estimated that, with the application of the $190,000 commitment authority approved by the Assembly in its decision 61/555, an additional commitment of $647,900 would be required to finance the activities of INSTRAW to the end of 2007. Although the estimated requirements for INSTRAW for 2007 are $90,800 less than the initial 2007 estimates of $1,589,300 approved by the Executive Board, the Board may wish to consider scaling back activities for 2007 that have yet to be implemented, bearing in mind the current dire financial situation.

13. The $190,000 commitment authority and the additional requirement of $647,900 are over and above the $1,042,200 appropriated under section 9, Economic and social affairs, of the programme budget for the biennium 2006-2007 for INSTRAW, which has been transferred to the INSTRAW Trust Fund for core activities.

14. **The General Assembly may therefore wish, as an interim measure, until such time as it decides to pronounce itself on the likely recommendations of the INSTRAW Executive Board on the future of the Institute, to authorize the Secretary-General on an exceptional basis to enter into additional commitments up to $647,900, under section 9, Economic and social affairs, of the programme budget for the biennium 2006-2007, subject to full reimbursement pending receipt of voluntary contributions for the financing of the Institute.**